CHECKLIST ENVIRONMENTAL ASSESSMENT

Proposed Action: Approve Drilling Permit (Form 22)

Project/Well Name: Hillside 44-7 **Operator:** Petro-Sentinel, LLC

Location: SE SE Section 7 T37N R5W

County: Glacier MT; Field (or Wildcat): Wildcat

Proposed Project Date: 02/15/2021

I. DESCRIPTION OF ACTION

Single derrick drilling rig to drill to 5,000' TD, Cut Bank, Banff, Nisku Formations.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED

Montana Bureau of Mines and Geology, GWIC website (Glacier County Wells).

US Fish and Wildlife, Region 6 website ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA COUNTIES, Glacier County

Montana Natural Heritage Program Website (FWP) Heritage State Rank= S1, S2, S3, T37N R5W

Montana Cadastral Website Surface Ownership and surface use Section 7 T37N R5W

Montana Department of Natural Resources MEPA Submittal

2. ALTERNATIVES CONSIDERED

No Action Alternative: The proposed well would not be drilled.

Action Alternative: Petro-Sentinel, LLC would have permission to drill the well.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

3. AIR QUALITY

Long drilling time: No, 4 to 5 days drilling time. Unusually deep drilling (high horsepower rig): No.

Possible H2S gas production: Yes, slight low ppm H2S associated with Cut Bank/Madison Oil Production.

In/near Class I air quality area: No Class I air quality area. Closest Class I area is the Blackfoot Indian Reservation, about 7 miles to the west from this location.

Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211. AQB review.

Comments: No special concerns – using Single derrick drilling rig to drill to 5,000' TD, Cut Bank, Banff, Nisku Formations. If there are no gas gathering systems nearby, associated gas can be flared under Board Rule 36.22.1220.

4. WATER QUALITY

Salt/oil based mud: No, freshwater, freshwater mud system and/or air & air mist.

High water table: No.

Surface drainage leads to live water: No, nearest drainage is an unnamed ephemeral drainage about 1/10 of a mile to the northeast. Pearsons Coulee is about 1/2 a mile to the northeast.

Water well contamination: No water wells within a ½ mile radius.

Porous/permeable soils: No, sandy bentonitic soils. Class I stream drainage: No Class I stream drainages.

Groundwater vulnerability area: No.

Mitigation:

Lined reserve pit

_X _ Adequate surface casing

__ Berms/dykes, re-routed drainage

__ Closed mud system

X Off-site disposal of solids/**liquids** (in approved facility)

Comments: Steel surface casing will be run to 600' and cemented to surface to protect ground water. (Rule 36.22.1001).

5. SOILS/VEGETATION/LAND USE

Vegetation: Farmland.

Stream crossings: None anticipated.

High erosion potential: No, small cut, up to 4.5' and small fill, up to 3.1' required

Loss of soil productivity: No, Location will be reclaimed if unproductive, if productive then wellsite will remain until it is plugged and reclaimed.

Unusually large wellsite (Describe dimensions): No, 200' X 200' location size required.

Damage to improvements: Slight, surface use is cultivation.

Conflict with existing land use/values: Slight, surface use cultivated field.

Mitigation

Avoid improvements	(topographic tolerance)
Avoid illibrovelliellis	(topographic tolerance)

__ Exception location requested

_ Stockpile topsoil

__ Stream Crossing Permit (other agency review)

_Reclaim unused part of wellsite if productive

__ Special construction methods to enhance reclamation

Access Road: Access will be through Santa Rita Road. A new access of about 600' will be built into the location.

Drilling fluids/solids: Reserve pit will be unlined. Reserve pit cuttings will be allowed to dry in the pit. Once pit is dry, it will be filled in. The drilling fluids will be taken to the next well if possible, if not, then the fluid will be evaporated.

6. HEALTH HAZARDS/NOISE

Proximity to public facilities/residences: Closest residence is about 7/8 of a mile to the southeast from this location.

Possibility of H2S: Yes, slight low ppm H2S associated with Cut Bank/Madison Oil Production. Size of rig/length of drilling time: Single derrick, 4 to 5 days drilling time.

Mitigation:

X Proper BOP equipment

__ Topographic sound barriers

__ H2S contingency and/or evacuation plan

__ Special equipment/procedures requirements

__ Other:

7. WILDLIFE/RECREATION

Sage Grouse: No.

Proximity to sensitive wildlife areas (DFWP identified): None

Proximity to recreation sites: None.

Creation of new access to wildlife habitat: None. Conflict with game range/refuge management: None.

Threatened or endangered Species: Species identified as threatened or endangered are the Bull Trout, Grizzly Bear, Canada Lynx Meltwater Lednian Stonefly, and the Western Glacier Stonefly. Candidate specie is the Whitebark Pine. Potential specie of concern is the Wolverine. NH tracker website lists five

Longspur, Brewer's Sparrow, and the Iowa Darter.	
Mitigation: Avoidance (topographic tolerance/exception) Other agency review (DFWP, federal agencies, DNRC Trust Lands) Screening/fencing of pits, drillsite Other: Comments: Private cultivated surface lands. There may be species of concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands. No concerns.	
IV. IMPACTS ON THE HUMAN POPULATION	
8. HISTORICAL/CULTURAL/PALEONTOLOGICAL	
Proximity to known sites: Mitigation avoidance (topographic tolerance, location exception) other agency review (SHPO, DNRC Trust Lands, federal agencies) Other:	
9. SOCIAL/ECONOMIC	
Substantial effect on tax base Create demand for new governmental services Population increase or relocation Comments: No concerns.	
IV. SUMMARY	
No long term impacts expected. Some short term impacts will occur, but can be mitigated. I conclude that the approval of the subject Notice of Intent to Drill (does/does not) constitute a major	

(5) species of concern. They are the Chestnut Collared Longspur, Long-billed Curlew, McCown's

action of state government significantly affecting the quality of the human environment, and (does/<u>does</u> <u>not</u>) require the preparation of an environmental impact statement.

EA Checklist
Prepared By:Name:John GizickiDate:01/05/21Title:Compliance Specialist